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To our employees and customers:

The Covid-19 pandemic has brought new risks and considerations to the world at large. IP Corporation and our four businesses (HK Research, North American Composites, Interplastic and Molding Products) are equally exposed to this new environment.

We are proactively taking action to protect our employees and the continuity of our operations as events progress. My message today is to convey our active role in managing these risks and to assure you we will continue to remain vigilant as this situation evolves. My comments today are only relevant at this point in time. IP Corporation will ultimately adapt as government and society does as a whole.

Our Employees

All of our enterprises rely on the skilled and experienced employees who carry forward our passion for customer service and satisfaction. Hence our first priority is controlling employee exposure. We have and continue to put in place three pillars in our defense of Covid-19.

Air travel is currently banned for all employees for the next thirty days. Exceptions must have approval of that company's president and require a case-by-case assessment of the region of travel and exposure risk. In all cases, we are encouraging alternative means to meet and conduct business remotely. These travel restrictions may very well extend this time frame and we will assess our situation on a weekly basis.

We continue to emphasize personal hygiene in the workplace. Hand washing and use of hand sanitizer is highly promoted and encouraged with supplies in place in every location. Self-discipline in personal protection is the most important step we all can take to stop the spread of any virus.

Employees with known symptoms or exposure to those confirmed with Covid-19 are requested to stay home and avoid exposure to their coworkers. In many cases, employees are able to remain productive and continue the majority of their work remotely. Rest and recuperation are essential in fighting virus attack and returning to normal healthy activity.

Continuity of Operations

We currently foresee no issues preventing our operations to continue to function normally. The primary petrochemical building blocks for our resins are domestically produced and sourced across multiple suppliers. For the remainder of our materials, we recognize there will be varying degrees of impact to off-shore suppliers or their lines of transportation.

Over the past five years, we have actively pursued goals to diversify our supply base. Risk is now mitigated in terms of multiple options both in terms of global geography and alternative sources. I am pleased to report we are well prepared for any disruption in the supply chain. We are indeed fortunate to be a North American-based enterprise. North America and specifically the United States has returned to a preeminent position in oil and petrochemical infrastructure. The increased levels of investment along the entire oil production and refining chains give us world scale supply in terms of breadth and economy, both inherent advantages in times of global uncertainty.

Should conditions impact or threaten our ability to service our business in any single location, we will endeavor to provide viable alternatives through our extensive network of 30 distribution centers and 9 manufacturing locations.

The Outlook

While we remain wary of what may come next, IP Corporation will continue to actively adapt to the future of Covid-19 and its remediation. We thank our employees for their incredible dedication and service as well as our loyal customers for their patience and understanding through this uncertain period. As a nation, I am confident we will prevail and come through this stronger and better prepared for whatever the future brings.



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